



*National Security
Personnel System*

Driving Organizational Performance

Under NSPS Alignment Matters

At the Core of NSPS is:

- Aligning work with mission and/or organizational goals
- Communicating an understanding of how employee contributions tie to the mission/organizational goals
- Acknowledging and rewarding performance
- Distinguishing levels of performance so that those who are contributing are rewarded appropriately

Keys to Alignment:

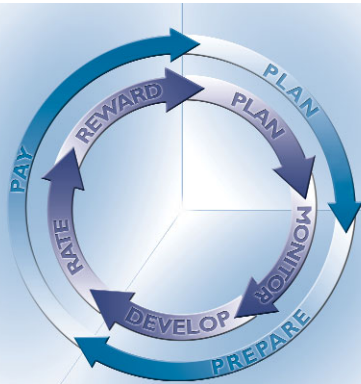
- Relationships are clear and transparent
- Responsibility is understood and accepted
- Results are demonstrated and measurable

Consider:

- Do my primary goals and expectations relate to organizational goals?
- Is there a shared understanding of priorities and responsibilities throughout the organization?
- Do I have the right type of resources to accomplish my priorities and responsibilities?
- Do I have a communications strategy in place to keep my staff informed?

**Commitment and involvement –
Your keys to success.**

NSPS Performance Management at a Glance



Performance management consists of the integration of two cycles: appraisal and pay pool. While the actual convening of the pay pool panels and the final share value determinations and payouts occur following the end of the performance management cycle, this activity is a culmination of a series of events, activities and discussions that take place throughout the appraisal period. The Plan, Prepare and Pay phases of the pay pool process support and parallel a broader range of activities related to the NSPS performance management cycle.

Writing Effective Job Objectives

Writing job objectives is a collaborative effort between a supervisor and employee. Effective job objectives:

Focus on Performance – Job objectives should be created to bring out the best in individual and team performance.

Align With Your Organization – Job objectives must make sense in the context of the organization. Individual objectives must align with the organization's mission and goals.

Serve as an Appraisal/Management Tool – Job objectives serve as a method to assess accomplishments.

Well-written job objectives enable a continuous evaluation by monitoring progress, resources, and effort and allowing for corrections on the path to accomplishment.

What should I consider when writing a job objective?

Think about the work to be performed and ask the following questions:

1. Is the job objective mission-focused and results-oriented?
2. Is the objective specific?
3. Is there a cost consideration that needs to be included?
4. Is a quantity identified?
5. Is quality a consideration?
6. Is the objective realistic?
7. Can the objective be accomplished within the period of performance?

A simple way to develop and assess job objectives

SMART

S*pecific*

Objectives should describe the results expected.

M*easurable*

Objectives should be written in a way that results can be quantified and/or qualified.

A*ligned*

Objectives should draw a line of sight between work and organizational goals.

R*ealistic
elevant*

Objectives should be something achievable with available resources.

T*imed*

Objectives should identify realistic timeframes.

Rating Performance

Job Objectives – Job objectives identify “what” to do. Typically, employees have three to five job objectives. While employee involvement is crucial in developing job objectives, it is your responsibility to document them.

Rating Job Objectives – NSPS

Performance Indicators – Provide general descriptions of levels of performance used to measure, evaluate, and score the achievement of your employee’s job objective(s). Performance indicators are established at Level 3 and Level 5 for each pay schedule and pay band.

Contributing Factors – Along with identifying what employees do, you discuss “how” your employees are going to do it. Contributing factors are the attributes and behaviors that identify the “how”. There are seven contributing factors:

1. Communication
2. Cooperation and Teamwork
3. Critical Thinking
4. Customer Focus
5. Leadership
6. Resource Management
7. Technical Proficiency

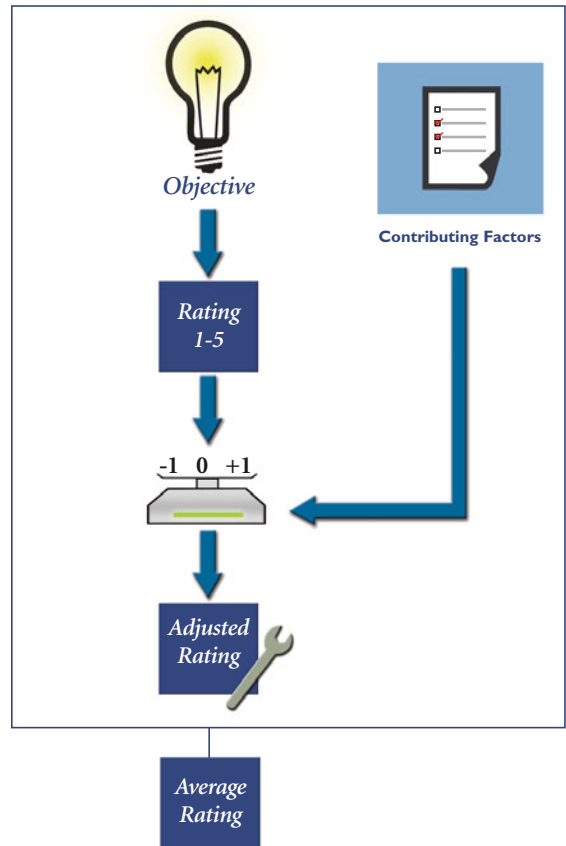
You determine which contributing factors are important to achieving the job objectives. Typically, there are between one and three contributing factors for each job objective.

Rating Job Objectives

Evaluating Contributing Factors – Based on pay schedule and pay band, **Benchmark Descriptors** define the “expected” and “enhanced” performance level for each contributing factor.

Rating of Record – Employees are assigned a rating of record for their overall performance. The rating is based on a scale of 1 to 5. The rating of record determines what performance award employees are eligible to receive.

Rating of Record	Share Range	Eligible to Receive...
5 Role Model	5 – 6	Base salary increase, bonus, or combination
4 Exceeds Expectations	3 – 4	Base salary increase, bonus, or combination
3 Valued Performer	1 – 2	Base salary increase, bonus, or combination
2 Fair	0	No increase
1 Unacceptable		No increase



Pay Pool Process at a Glance

The Pay Pool Process

- Provides a means for ensuring managers and supervisors apply standards equitably
- Provides incentives for the workforce
- Allows organizations to recognize and reward individual and team accomplishments.

Keys to Successful Pay Pool Management

- Continuous communication
- Fairness and consistency
- Informed judgment
- Shared understanding

Plan Phase

– Setting the Course and Laying the Foundation

When it occurs:

- Generally begins at the end of the previous appraisal cycle and continues for 3 – 4 months

Key activities:

- Pay pool structure is established and/or recalibrated
- Financial data is captured
- Organizational mission statements and goals are reviewed
- Previous pay pool activities and timelines are reviewed



Prepare Phase

– Strengthening Skills and Improving the Process

When it occurs:

- Shortly after the appraisal cycle begins and continues until the final rating process begins

Key activities:

- Review performance plans
- Build a shared understanding of performance levels
- Fine-tune skills & pay pool processes
- Conduct a mock pay panel



Pay Phase

– Rating and Rewarding Performance

When it occurs:

- Within 3 months of the end of the appraisal cycle

Key activities:

- Review and reconcile ratings
- Determine share and payout distribution
- Communicate results



How the Pay Pool is Funded

The pay pool fund has the following elements:

Element 1 represents base pay funds that were historically spent on within-grade increases, quality-step increases, and promotions between General Schedule grades that no longer exist in NSPS.

Element 2 represents funds (if any) that remain available from the government-wide general pay increase after the Secretary of Defense has exercised the authority to fund any rate range adjustments or local market supplements.

Element 3 represents funds historically spent on performance-based bonuses.

Each element is expressed as a percentage of the total base salaries of all employees in a pay pool. The funds associated with Elements 1 and 2 are available for increases to base pay or bonuses. The funds associated with Element 3 are available only for bonuses. Organizations may supplement any of the elements if funding is available. Funding for Accelerated Compensation for Developmental Positions, Extraordinary Pay Increases, and Organizational/ Team Achievement Recognition is separate from the Pay Pool Fund.

ELEMENT 1

- Within-Grade Increases
- Quality-Step Increases
- Promotions

ELEMENT 2

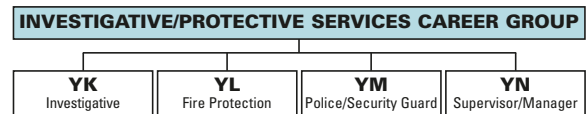
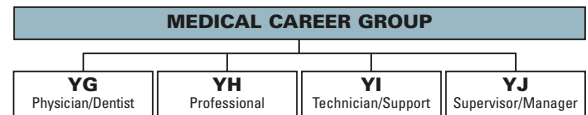
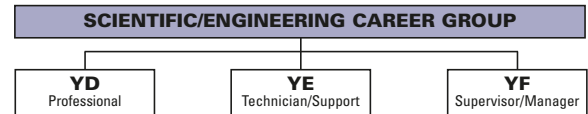
- Remaining Portion of General Pay Increase (GPI)

ELEMENT 3

- Annual Bonuses

PAY POOL FUND

Career Groups and Pay Schedules



2006

Career Group – Broad group of jobs that perform related work and have similar career progression patterns.

Example: *Scientific/Engineering Career Group*

Pay Schedule – Combination of similar types of work within a career group, based on nature of work performed, career patterns, mission and job competencies.

Example: *Professional Pay Schedule*

Pay Band – Further delineation of positions within a Pay Schedule, typically Expert, Journey, and Entry/Developmental. A pay range with a minimum and maximum pay rate.

Example: Journey level, *Pay Band 2*

Classification: Mathematician, YD-1520-2

January							February							March							April						
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8	9	10	11	12	13	14					5	6	7	8	9	10	11				2	3	4	5	6	7	8
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2007

January							February							March							April						
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